

National Park Service FY 2008 Budget Justifications General Statement

Introduction

Since 1916, the National Park Service has played an integral role in the protection and management of our nation's special places. As the steward of 390 national park units, the NPS is charged with preserving "unimpaired" these lands and historic features that were set aside by the Nation and are valued for their environmental resources, recreational and scenic worth, their cultural and historical significance and vast open spaces. The NPS further helps the Nation preserve and protect historical, cultural and recreational resources that are not part of the national system through its many grant and technical assistance programs.

The path from the establishment of the first national park – Yellowstone, in 1872 – to the 1916 Act which gave birth to both the present system of national parks and the National Park Service was circuitous and demanding. Critically important to the story of the national park system was the decade that preceded the passage of the National Park Service Organic Act. President Theodore Roosevelt is appropriately considered a giant in this chronicle. In June 1906, Roosevelt signed into law the Antiquities Act, which facilitated the protection of prehistoric ruins and artifacts on Federal lands in the West. It also authorized presidents to proclaim "historic landmarks, historic and prehistoric structures, and other objects of historic or scientific interest" as national monuments. Less than two years later, in May 1908, he convened a National Conference of Governors at the White House where the governors adopted a declaration supporting conservation. The momentum garnered from these events led the Department of the DOI to sponsor three national park conferences, in 1911, 1912, and 1915, including one at Yellowstone and one at Yosemite. On August 25, 1916, President Woodrow Wilson signed legislation creating the National Park Service as part of the Department of DOI.



*Theodore Roosevelt dedicating the North Arch at
Yellowstone NP in 1903
NPS Historic Photograph Collection.*

NPS Mission Statement

"The National Park Service preserves unimpaired the natural and cultural resources and values of the national park system for the enjoyment, education, and inspiration of this and future generations. The Park Service cooperates with partners to extend the benefits of natural and cultural resource conservation and outdoor recreation throughout this country and the world."

The subsequent 90 years saw the evolution of a system that now includes many more and increasingly diverse natural areas, historic sites crucial to the forming of the American character and spirit, and recreational sites that allow even the most disadvantaged among us to experience the wonder of the parks and what President Theodore Roosevelt termed the "democracy of conservation."

On the occasion of the 90th anniversary of the creation of the national park system, President George W. Bush directed Secretary of the Interior Dirk Kempthorne to "enhance our national parks during the decade leading up to the 2016 centennial celebration...and prepare them for another century of conservation, preservation and enjoyment." With this vision as a backdrop, an historic multi-year initiative has been developed for the NPS beginning in FY 2008, which provides a foundation for the President's charge and a strategy for the successful achievement of the initiative's goals.

This request proposes total discretionary budget authority of \$2.364 billion, an increase of \$261 million above the FY 2007 continuing resolution level and an increase of \$208 million from the FY 2007 President's Budget. Discretionary authority includes the Operation of the national park system, U.S. Park Police, National Recreation and Preservation, Historic Preservation, Construction, and Land Acquisition and State Assistance appropriations.

This budget represents the largest budget request ever for park operations and for those programs which benefit the national park system. The 2008 request includes \$2.1 billion for park operations, an increase of \$290 above the FY 2007 continuing resolution, an increase of \$230 million from the FY 2007 President's, and an increase of \$258 million above the FY 2006 enacted level.

For the Budget appropriations that directly benefit the national park system – Operation of the national park system, United States Park Police, Construction and Major Maintenance, and Federal Land Acquisition – the budget proposes \$2.281 billion. Even as funds are shifted to ensure operational capacity at parks, the asset management programs of the Service remain strong and vital, with a renewed emphasis on preventive maintenance to safeguard the almost \$5 billion Federal investment in addressing the facility maintenance backlog.

The request also includes an estimated \$556 million in mandatory accounts, including fee and concession receipts, donations, the United States Park Police Pension Fund and other special revenue authorities, as well as a legislative proposal to establish a special mandatory fund of up to \$100 million a year that will be available over the next ten years to match non-Federal cash donations up to \$100 million for signature projects and programs at national parks.

The FY 2008 budget request includes an increase of \$57.5 million for non-discretionary fixed cost increases, which represents full coverage of this requirement. No fixed costs are proposed for absorption in this budget.

Total FY 2008 Budget Request

(Dollars in Thousands)

Budget Authority	FY 2006 Enacted	FY 2007 President's Budget	FY 2007 CR	FY 2008 Request	FY 2008 Request Change from FY 2007
Discretionary	2,257,944	2,155,823	2,102,611	2,363,784	207,961
Mandatory	337,615	362,621	350,154	556,007	193,386
Total	2,595,559	2,518,444	2,452,765	2,919,791	401,347
<i>FTEs</i>	<i>20,056</i>	<i>19,999</i>	<i>19,506</i>	<i>21,589</i>	<i>1,590</i>

NPS Performance

The National Parks Centennial represents a unique opportunity for the National Park Service. Never has it been more crucial that the NPS target this infusion of funding towards measurable performance and definable results.

In formulating the budget request, the NPS targeted known deficiencies in areas with established performance data. For example, eradication of non-native plant and animal species, restoration of historic landscapes at Civil War battlefields and improvements in the storage and display of museum objects are targeted. Each of these has measurable outcomes in performance. Increases to park base funding are targeted towards maximizing efficiencies of operation during peak periods of visitation and have been allocated based on data and determinations from the NPS Park Scorecard, so that funding can be most effectively utilized to improve performance deficiencies.

The proposed discretionary budget includes: \$916.4 million for Resource Protection, an increase of \$83.3 million (+10%); \$1,436.1 million for Recreation, an increase of \$124.1 million (+9.5%), and; \$11.3 million for Serving Communities, an increase of \$0.6 million (+5.6%).

All funding requests correlate to the goals in the Department's Strategic Plan, as measured by specific performance metrics. Recent funding allowances and absorption of fixed costs over the last several years have limited the Service's ability to sustain the level of performance expected by the park visitor and accomplish core mission responsibilities. The increased funding will allow parks to operate at the level of excellence expected by visitors as the Service begins its second hundred years. The following areas will be targeted: Change in visitor satisfaction from its current base which is trending down to increasing and maintaining visitor satisfaction between 96 percent and 97 percent; a positive change in Visitor Understanding from the flat base of 88 percent to 93 percent by 2012; a positive change in museum collections to meet the current standards; increasing the number of historic structures and cultural landscapes that are in good condition; increasing the percentage of archeological sites that are protected; improving concession services; increasing the percentage of museum objects cataloged; and, improved management of species of management concern.

The proposed budget changes affect three of the four Departmental Strategic Plan goals shown below. NPS funding has been prioritized to meet the greatest needs in areas having the best performance. The total budget is described in detail in the accompanying tables and justifications. Performance information for all NPS program areas is provided throughout the budget justification document and in the Goal Performance Table section. The following table summarizes the relationship of NPS funding to the Department's mission goals.

2008 Budget Discretionary Request by DOI Mission Area

(Dollars in Millions)

Mission Goal	2006 Enacted	2007 President's Budget	2008 Request	2008 Request Change from 2007
Resource Protection	917.6	833.1	916.4	83.3
Resource Use	N/A	N/A	N/A	N/A
Recreation	1,071.6	1,312.1	1,436.1	124.1
Serving Communities	268.7	10.7	11.3	0.6
Total	2,257.9	2,155.8	2,363.8	207.9
Impact of the CR		-53.2		53.2
Adjusted Total	2,257.9	2,102.6	2,363.8	261.2

Budget Highlights

The FY 2008 NPS budget request launches the National Parks Centennial Initiative announced by President Bush in August 2006. Over the decade leading to the 2016 centennial celebration of the NPS, the Initiative is designed to prepare parks for what the President has termed "a new century of greatness." With the FY 2008 budget request, which is the largest in history for Federal programs benefiting national parks, the NPS will be well positioned to implement an initiative which has the potential to add up to \$3 billion in new funds for parks over the next ten years by way of a public/private joint effort. The historic budget request

"There can be nothing in the world more beautiful than the Yosemite, the groves of the giant sequoias and redwoods, the Canyon of the Colorado, the Canyon of the Yellowstone, the Three Tetons; and our people should see to it that they are preserved for their children and their children's children forever, with their majestic beauty all unmarred."

Theodore Roosevelt

will address a number of themes through an investment that will:

- I. **Meet the President's Commitment to Fund New Levels of Excellence in Parks**, including \$100 million to hire 3,000 more seasonal park rangers, guides and maintenance workers; conduct preventive maintenance programs to extend the life of facilities; enhance the Volunteers-in-Parks program; enroll more children in Junior/Web Ranger Programs; target specific and measurable natural and cultural resource improvements; and capture an untapped reserve of park volunteers. This addition is proposed to continue over the next decade.
- II. **Engage all Americans to Protect our Resources through Signature Projects and Programs** by challenging the public to contribute, on a matching basis, up to \$100 million a year for ten years. An additional \$100 million component in a new mandatory funding stream to match the level of donations. This has the potential to make \$200 million available per year to the NPS in mandatory funding.
- III. **Establish a Critical Base for Park Operations** through capacity enhancement funding of \$130 million above the FY 2007 President's Request, including \$54 million in fixed costs for operations.
- IV. **Reconnect People to their Parks** by making history and science come alive to all Americans. A number of budget increases, included both in the President's Commitment and the critical base funding are designed to be more relevant to a changing populace, which consists of emerging minorities, brand new citizens or youth fascinated with new technologies.
- V. **Continue our responsibilities in Asset Management** through a continued emphasis on more professional management of our facilities through a systematic inventory, comprehensive condition assessments of all assets, specific performance targets, and the financial investment necessary to sustain these assets over time. The asset management effort can be found in both the President's Commitment component of the request and the critical base funding. In addition, a strong, well-managed construction program, assistance from the Federal Highway Administration and continued use of fee revenue for deferred maintenance provides budgetary flexibility in addressing this important effort.
- VI. **Sustain our Stewardship Responsibilities that reach beyond the national park system** through programs such as Rivers and Trails Conservation Assistance, Heritage Partnerships and tourism (Preserve America), and Historic Preservation, including efforts directed specifically to battlefields through land acquisition grants in and partnership projects generated by the American Battlefield Protection Program.

Specific increases are as follows:

Meet the President's Commitment to Fund New Levels of Excellence in Parks

The NPS is requesting \$40.6 million for seasonal employees, \$20 million for flex park base funding at 20 to 25 parks to improve natural and cultural resource condition, \$35 million for regular and cultural cyclic maintenance, \$3.4 million to expand the volunteer-in-parks program, and \$1 million to grow the Junior/Web Ranger program. The \$100 million commitment will provide the impetus needed to enhance visitor operations and provide a legacy for the future. A visit to a national park unit should be safe, healthful, educational, and, above all, memorable.

Engage all Americans to Protect our Resources through Signature Projects and Programs

The operational component (President's Commitment) of \$100 million in discretionary funds is complemented by \$100 million in dedicated mandatory Federal funding (Centennial Initiative) that would be available to match up to \$100 million in donations for signature projects and programs. The Challenge is designed to encourage philanthropists, foundations, park friends groups, park visitors, corporations, and private citizens to demonstrate their support for national parks. A legislative proposal will be transmitted to authorize this new source of funding. Once authorized, the funds leveraged through this public/private partnership will be used to accomplish signature projects that protect park assets, preserve the heritage of America, maintain park facilities and improve the services offered by the NPS to its visitors. The process of selecting signature projects will be an outgrowth of the Centennial Report due to the President in May 2007, based on input gathered from the American people. The Secretary will present a list of signature projects and programs as part of the Centennial Report. The list will be

prepared by the Director of the National Park Service, drawing upon ideas generated through listening sessions, public engagement and the input of Park Service professionals.

Establish a Critical Base for Park Operations

High priority budget increases include \$54 million for operational fixed costs (\$57.5 million for all appropriations), \$40.6 million for specific park base increases, \$300,000 to support the Vanishing Treasures Initiative, \$1.0 million for park brochures, \$150,000 for the initial development of the new Captain John Smith Chesapeake National Historic Trail, \$850,000 to update park interpretive exhibits and programs to better link park areas to nearby national trails, \$1.825 million for youth programs, and \$1.0 million to improve content of information technology based park interpretation, and \$15.0 million for the repair/rehabilitation program. Other critical increases include \$7.0 million to examine the potential benefits of restoring Hetch Hetchy in Yosemite NP, \$4.8 million for the new accounting system, \$4.0 million to support the Enterprise Services Network, and \$300,000 for the Centennial Implementation Office. Decreases include \$476,000 for Jamestown 2007 and Lewis and Clark Corps of Discovery II.

Over the past five years, the NPS significantly improved the condition of over 6,600 park facilities. Looking forward, we must now act to ensure that future generations will enjoy the gift that our forefathers left us. Our grandchildren – and their grandchildren need to be able to walk in the footsteps of Martin Luther King, stand in awe as Old Faithful Geyser erupts, climb Denali or the Grand Teton, experience the splendor of the Grand Canyon and Yosemite Valley, walk the path of Pickett's Charge, or imagine arriving at Ellis Island as their ancestors did, with nothing but the clothes on their back to start a new life.

This capacity enhancement for park operations is critical to the success of the Centennial Initiative. With Federal funding stepping up to set a solid foundation, it is likely that the philanthropic efforts will be enhanced. All 390 parks will benefit from the funding proposed in the FY 2008 President's Budget.

Reconnect People to their Parks

Several previously mentioned increases contained in the President's Centennial Commitment and the Building Capacity Funding will serve as a catalyst for the goal of connecting people to parks. These include increases for Junior/Web rangers, youth programs, and enhancing content of information technology based park interpretation. Parks are a place where school children can be curious and learn; there is no better laboratory in which to learn about the natural and cultural history of an area than a national park. The 390 units of the national park system collectively tell the American story, from the cold winters of Valley Forge to the natural majesty of the Rocky Mountains.

Continue our responsibilities in Asset Management

Total construction and maintenance funding is proposed at \$663 million in FY 2008, an increase of \$42 million from FY 2007. This includes \$202 million for construction, including a line-item program of \$105 million. As previously noted, there are also increases of \$35 million for cyclic maintenance and \$15 million for the repair and rehabilitation program.

Sustain our Stewardship Responsibilities that reach beyond the national park system

There are a number of increases that impact preservation and natural resources outside the national park system. These include funding of \$1.5 million to expand the American Battlefield Grants program, \$650,000 to enhance the Rivers and Trails Conservation Assistance program, and \$5.0 million to establish a National Inventory of Historic Properties grant program. While the FY 2008 amounts for Heritage Programs, Save America's Treasures, and Preserve America reflect reductions from the FY 2007 level, each program would have a funding level of \$10 million in FY 2008.

Full descriptions of all changes can be found later in this Overview (Budgetary Changes Narratives) and in the individual budget activity sections of this document.

FY 2008 Performance Summary

The Department of the DOI's strategic plan encompasses the missions and goals of its eight bureaus and is organized around four principal mission areas: Resource Protection; Resource Use; Recreation; and,

Serving Communities. The National Park Service's mission and goals link with the Department's commitment to protect and manage the Nation's natural and cultural heritage resources. The National Park Service makes significant contribute to the successful achievement of the Department's strategic goals for Resource Protection, Recreation, and Serving Communities.

Within the 2008 request, NPS prioritized funding to meet the needs of current and future goals of the organization. The proposed budget includes: \$916.4 million for Resource Protection, an increase of \$83.3 million (+10%) from the FY 2007 President's Budget; \$1,436.1 million for Recreation, an increase of \$124.1 million (+9.5%), and; \$11.3 million for Serving Communities, an increase of \$0.6 million (+5.6%).

NPS park units are defining and examining core operation activities. Funds spent for activities outside of mission related activities are examined and, if not justified, are reduced or eliminated as appropriate to each park unit's situation. The same analysis is being conducted in the Servicewide programs to find efficiencies with the least adverse impact on required services and resources. Ongoing internal evaluations based on previous PART evaluations have helped the NPS focus on its highest needs.

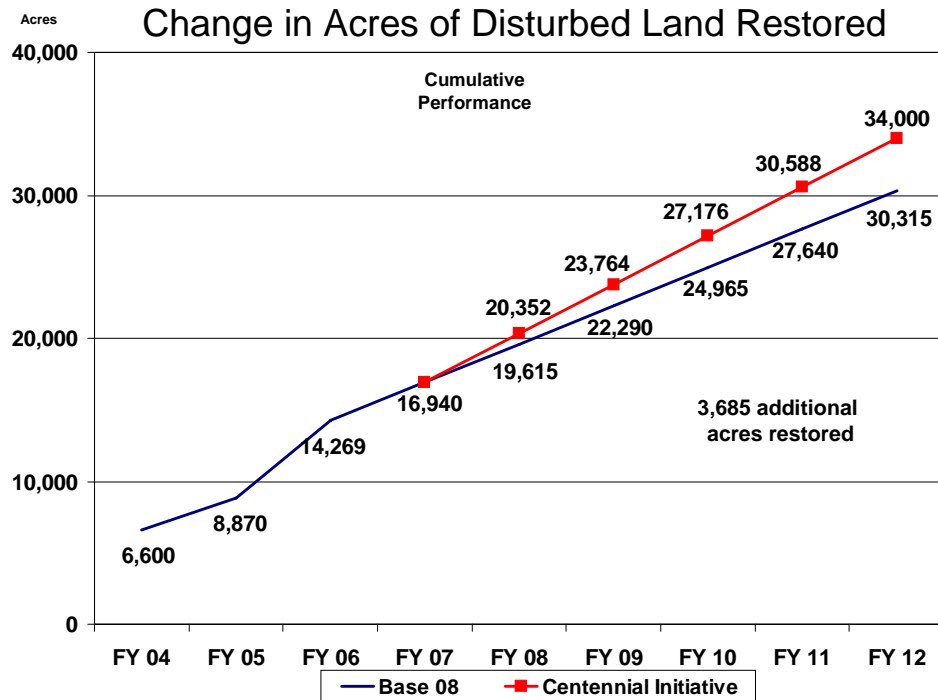
Resource Protection Goals –

The NPS will continue the work needed to control invasive plant and animal species and control other species of special concern. The NPS will be working with other DOI bureaus and other Cabinet-level agencies to monitor its biological communities, to develop and institute strategies to control or protect biological communities, and to seek volunteers to assist with field work. The condition of NPS cultural resources is planned to improve significantly over the course of the next ten years with the FY 2008 budget. New natural and cultural resources are being added to the NPS inventory and maintaining or improving the condition of those resources will impact NPS' ability to maintain the condition of resources currently being managed. However, proposed funding increases should mitigate this problem and allow NPS to manage current and additional resources. See the Goal Performance Table for information on all NPS Resource Protection goals.

Key Budgetary Changes: *Improve health of watersheds, landscapes, and marine resources*

Disturbed lands – As part of the Centennial Initiative, an additional \$12.152 million dollars will be invested in the rehabilitation of disturbed lands in FY 2008. These disturbances can be from roads, facilities, dams, abandoned campgrounds and mined lands. Restoration of these lands allows the NPS to reestablish natural processes while simultaneously enhancing visitor satisfaction. Servicewide performance is planned to be 3,685 acres greater with the Centennial Initiative bringing the total performance to 34,000 acres restored by FY 2012.

Priority acres targeted for restoration (cumulative).	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	6,600	8,870	14,269	17,003	16,940	20,352	23,764	27,176	30,588	34,000
Performance w/o Initiative	6,600	8,870	14,269	17,003	16,940	19,615	22,290	24,965	27,640	30,315
Performance Change	0	0	0	0	0	737	1,474	2,211	2,948	3,685
Total Actual/Projected Cost at Budget Level (\$000)	\$38,664	\$42,418	\$40,120	\$40,035	\$39,081	\$51,233	\$51,233	\$51,233	\$51,233	\$51,233
Total Actual/Projected Cost w/o Initiative (\$000)	\$38,664	\$42,418	\$40,120	\$40,035	\$39,081	\$41,669	\$41,669	\$41,669	\$41,669	\$41,669
Actual/Projected Cost Per Unit (whole dollars)	\$5,858	\$18,686	\$7,431	\$13,590	\$14,631	\$15,016	\$15,016	\$15,016	\$15,016	\$15,016



Resource Protection Goals – Sustain Biological Communities

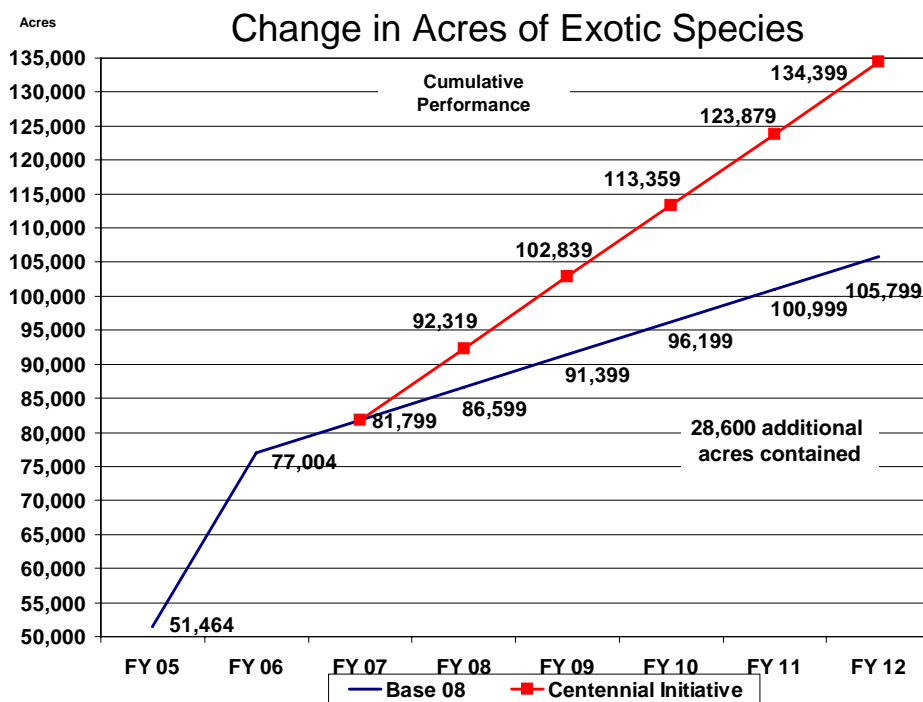
The NPS will contribute to the Department's land health goals by continuing the work needed to control invasive plant and animal species and control other species of special concern. To more accurately present its accomplishments, NPS is reporting "canopy" acres contained rather than gross acres contain. The NPS will be working with other DOI bureaus and other Cabinet-level agencies to monitor its biological communities, to develop and institute strategies to control or protect biological communities, and to seek volunteers to assist with field work.

The NPS continues to explore the benefits that can be derived from additional or re-defined partnerships and methods to attract additional volunteers are being evaluated. Building capacity in the field through the use of improved guidance, manuals/checklists, protocols, and training will be evaluated. Parks with common issues are working together to develop efficiencies through sharing information, equipment, and employees for project teams. The NPS is continuing to work at improving the priority setting and budget allocation processes.

Key Budgetary Changes: *Sustain Biological Communities*

Invasive Exotic Plants - Exotic species, especially invasive exotic species, adversely affect other species that are native to the parks, including threatened or endangered species. The NPS is using various approaches to control invasive, exotic species populations in parks and to protect sensitive resources from destruction by invasive exotic species, including integrated pest management supported by current scientific information and best management practices. As part of the Centennial Initiative an additional \$6 million will be directed toward these treatment and control methods. Servicewide performance is planned to be 28,600 canopy acres higher with the Centennial Initiative, bringing the total performance to 134,399 acres controlled by FY 2012. Canopy acres represent a precise measurement of only the area under the invasive plants, not the gross acreage impacted by the plants.

Acres infested with invasive plant species that is controlled (cumulative).	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	41,500	51,464	77,004	82,851	81,799	92,319	102,839	113,359	123,879	134,399
Performance w/o Initiative	41,500	51,464	77,004	82,851	81,799	86,599	91,399	96,199	100,999	105,799
Performance Change	0	0	0	0	0	5,720	11,440	17,160	22,880	28,600
Total Actual/Projected Cost at Budget Level (\$000)	\$30,838	\$33,833	\$39,151	\$39,068	\$38,137	\$44,143	\$44,143	\$44,143	\$44,143	\$44,143
Total Actual/Projected Cost w/o Initiative (\$000)	\$30,838	\$33,833	\$39,151	\$39,068	\$38,137	\$40,663	\$40,663	\$40,663	\$40,663	\$40,663
Actual/Projected Cost Per Unit (whole dollars)	\$743	\$3,396	\$1,533	\$4,770	\$7,954	\$4,196	\$4,196	\$4,196	\$4,196	\$4,196



Resource Protection – *Protect Cultural and Natural Heritage Resources*

While the condition of the NPS cultural resources is within the control of NPS, the resources owned by others is not and is only impacted by the NPS through its numerous partnership programs and the assistance it provides partners in protecting and improving the condition of their resources. The condition of NPS cultural resources is planned to improve as a result of increased funding proposed for the Centennial Initiative. New resources are being added to the NPS inventory and maintaining or improving the condition of those resources will impact NPS' ability to maintain the condition of existing resources. However, the FY 2008 budget increases should mitigate this problem and allow NPS to manage current and additional resources.

As a result of the proposed increase in funding levels, NPS will focus its efforts on improving the management of museums by increasing the percentage of museum objects cataloged, increasing the acres of cultural landscapes, e.g. battlefields, improved and expanding the use of volunteers and interns.

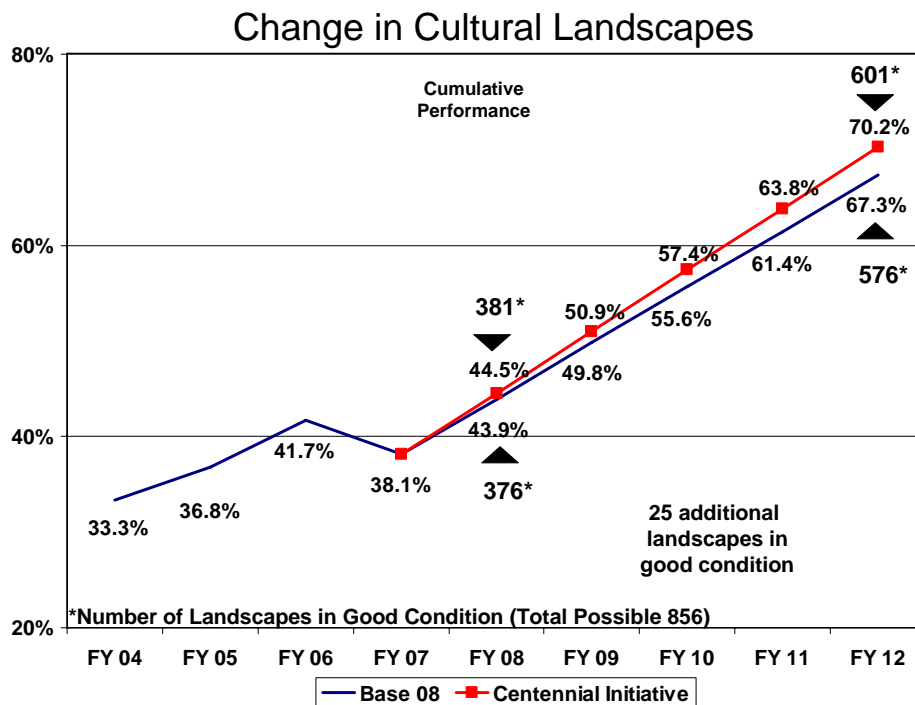
NPS continues to explore the benefits that can be derived from additional or redefined partnerships; relationships with Cooperative Ecosystem Studies Units (CESU) are being reviewed to improve results;

and, methods to attract additional volunteers are being evaluated. Efforts to build are being explored and parks with common issues are working together to improve efficiencies. The Service continues to improve the priority setting and budget allocation processes.

Key Budgetary Changes: *Protect Cultural and Natural Heritage Resources*

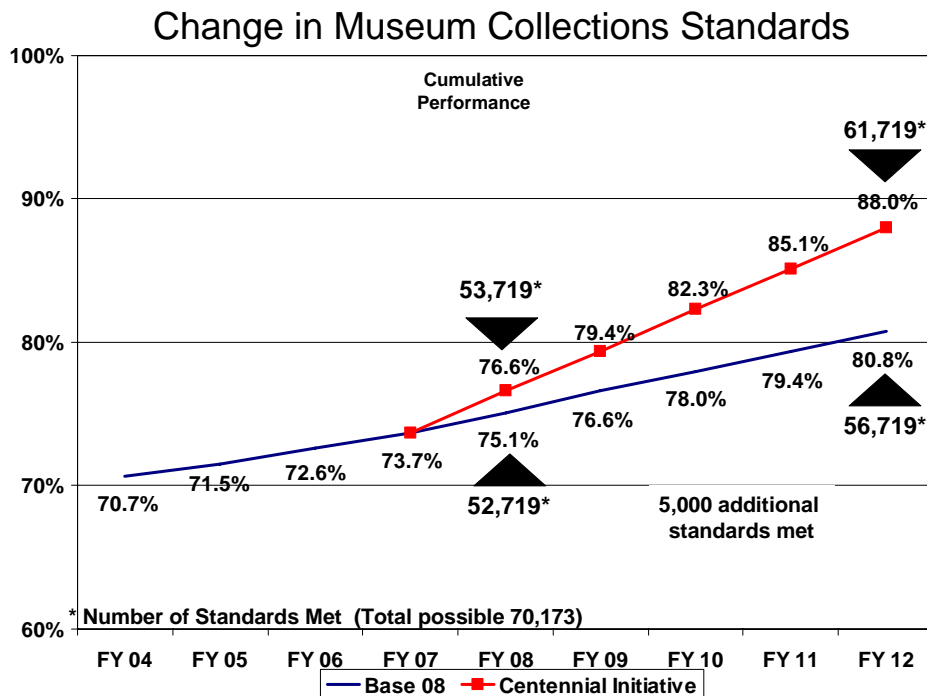
Cultural Landscapes – The NPS cultural landscapes are geographic areas that provide the context of historic events, historic structures and land use. They reveal aspects of our Nation's origins and development. As part of the Centennial Initiative an additional \$6.327 million is being directed towards the improvement of cultural landscapes. Servicewide performance is planned to be 2.9 percent higher with the Centennial Initiative, bringing the total performance to 70.2 percent of all cultural landscapes in good condition by FY 2012. Performance for this goal is impacted by increasing costs necessary to keep a landscape in good condition. As a landscape moves into good condition the cost for restoration is offset with ongoing maintenance cost

Percent of the cultural landscapes on the current Cultural Landscapes Inventory in good condition.	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	33.3%	36.8%	41.7%	38.7%	38.1%	44.5%	50.9%	57.4%	63.8%	70.2%
Performance w/o Initiative	33.3%	36.8%	41.7%	38.7%	38.1%	43.9%	49.8%	55.6%	61.4%	67.3%
Performance Change	0%	0%	0%	0%	0%	0.6%	1.1%	1.8%	2.4%	2.9%
Total Actual/Projected Cost at Budget Level (\$000)	\$73,578	\$80,723	\$78,677	\$78,511	\$76,639	\$82,966	\$82,966	\$82,966	\$82,966	\$82,966
Total Actual/Projected Cost w/o Initiative (\$000)	\$73,578	\$80,723	\$78,677	\$78,511	\$76,639	\$81,716	\$81,716	\$81,716	\$81,716	\$81,716
Actual/Projected Cost Per Unit (whole dollars)	\$133,623	\$312,878	\$224,792	\$91,718	\$89,532	\$96,923	\$96,923	\$96,923	\$96,923	\$96,923



Museum Collections –To ensure NPS museum collections are protected for the enjoyment of future generations great care is taken to make sure all collections are stored in an environmentally friendly and safe location. To accomplish this goal the NPS is using an approved list of museum standards that all collections should meet. As part of the Centennial Initiative an additional \$6.887 million is being added above the 2007 Plan for museum management. Servicewide performance is planned to be 7.2 percent higher with the Centennial Initiative, bringing the total performance to 88 percent of all museum management standards will be met by FY 2012. This will help preserve the collections in better condition and will lower long-term cost of maintaining the collections in good condition.

Percent of preservation and protection standards met for park museum collections.	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	70.7%	71.5%	72.6%	74.0%	73.7%	76.6%	79.4%	82.3%	85.1%	88.0%
Performance w/o Initiative	70.7%	71.5%	72.6%	74.0%	73.7%	75.1%	76.6%	78.0%	79.4%	80.8%
Performance Change	0%	0%	0%	0%	0%	1.5%	2.8%	4.3%	5.7%	7.2%
Total Actual/Projected Cost at Budget Level (\$000)	\$44,302	\$48,604	\$49,076	\$48,973	\$47,805	\$54,692	\$54,692	\$54,692	\$54,692	\$54,692
Total Actual/Projected Cost w/o Initiative (\$000)	\$44,302	\$48,604	\$49,076	\$48,973	\$47,805	\$50,972	\$50,972	\$50,972	\$50,972	\$50,972
Actual/Projected Cost Per Unit (whole dollars)	\$580.49	\$649.73	\$650.61	\$697.88	\$681.25	\$779.39	\$779.39	\$779.39	\$779.39	\$779.39



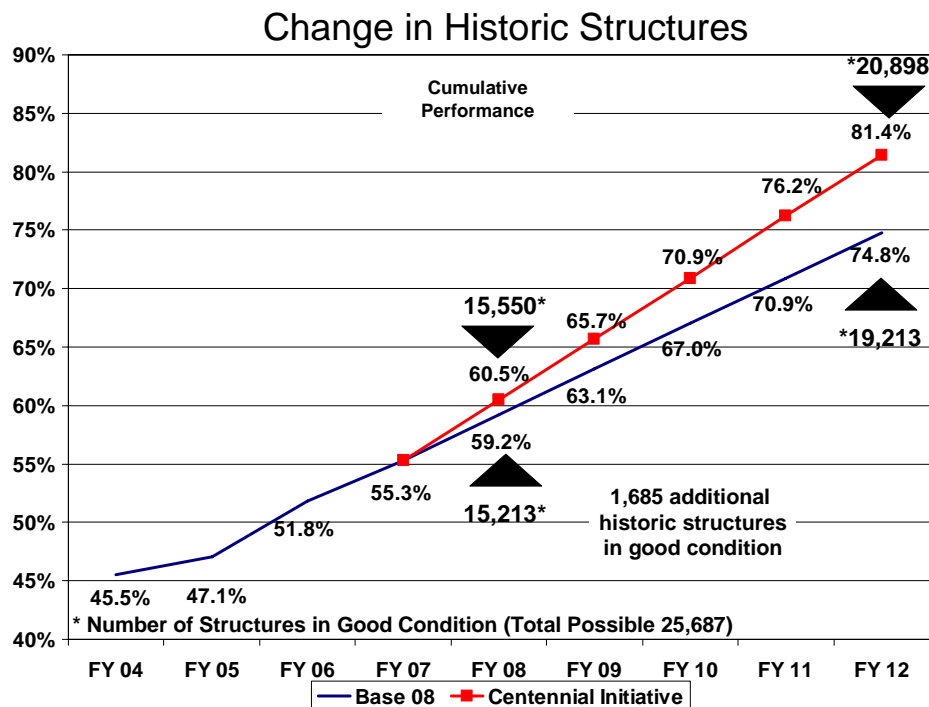
Historic Structures – Stewardship of historic structures provides the richness and complexity of the human story of our Nation and includes the living traditions of Native American and peoples whose roots lie in Africa, Oceania, Europe and Asia. Historic structures include buildings, monuments, dams, millraces, canals, nautical vessels, bridge, tunnels and roads, railroad locomotives, kivas, ruins of all structural types, and outdoor sculpture. Historic or prehistoric structures are usually immovable by nature or design, consciously created to serve some human activity that is listed on or eligible for listing on the

National Register of Historic Places, or is managed as a cultural resource. The preservation of historic structures involves two basic concerns: slowing the rate at which historic material is lost and maintaining historic character.

As part of the Centennial Initiative an additional \$28.709 million will be targeted to stabilize, preserve, rehabilitate, and restore historic structures. Servicewide performance is planned to be 6.6% higher with the Centennial Initiative, bringing the total performance to 81.4 percent of all historic structures in good condition by FY 2012.

As more structures move into good condition, there is a shift in the allocation of maintenance and project dollars. Annual maintenance overtime erodes project dollars, which is why it is important that funds from the Centennial Initiative be applied to preserving these pieces of American history.

Percent of historic structures on the current List of Classified Structures in good condition.	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	45.5%	47.1%	51.8%	56.0%	55.3%	60.5%	65.7%	70.9%	76.2%	81.4%
Performance w/o Initiative	45.5%	47.1%	51.8%	56.0%	55.3%	59.2%	63.1%	67.0%	70.9%	74.8%
Performance Change	0%	0%	0%	0%	0%	1.3%	2.6%	3.9%	5.3%	6.6%
Total Actual/Projected Cost at Budget Level (\$000)	\$178,450	\$195,778	\$199,734	\$199,312	\$194,561	\$223,270	\$223,270	\$223,270	\$223,270	\$223,270
Total Actual/Projected Cost w/o Initiative (\$000)	\$178,450	\$195,778	\$199,734	\$199,312	\$194,561	\$207,449	\$207,449	\$207,449	\$207,449	\$207,449
Actual/Projected Cost Per Unit (whole dollars)	\$6,712	\$7,284	\$7,500	\$7,759	\$7,574	\$8,692	\$8,692	\$8,692	\$8,692	\$8,692



RECREATION GOALS –

Visitors to units of the National Park Service have consistently given the NPS an overall satisfaction of 95 percent or better since FY 2000. Community partnerships are critical to the successful management of NPS park units and will continue to be nurtured. See the Goal Performance Table for information on all NPS Recreation goals.

RECREATION GOALS – Provide Recreation for America

By mandate of its authorizing legislation, NPS makes America's national parks available for public enjoyment. The NPS provides an array of activities, opportunities, and services to all of its visitors. It is the goal of the NPS to foster an understanding and appreciation of these places of natural beauty and cultural and historical significance. Moreover, NPS teaches and encourages the public to safely use and enjoy the units in the national park system with minimum impact to park resources. Providing for visitor enjoyment and safety covers the broad range of visitor experiences in parks. Enjoyment of the parks and their resources is a fundamental part of the visitor experience. The NPS believes that visitors who develop an appreciation and understanding of the parks in turn take greater responsibility for protecting the heritage that the parks represent, thus ensuring that these national treasures will be passed on to future generations.

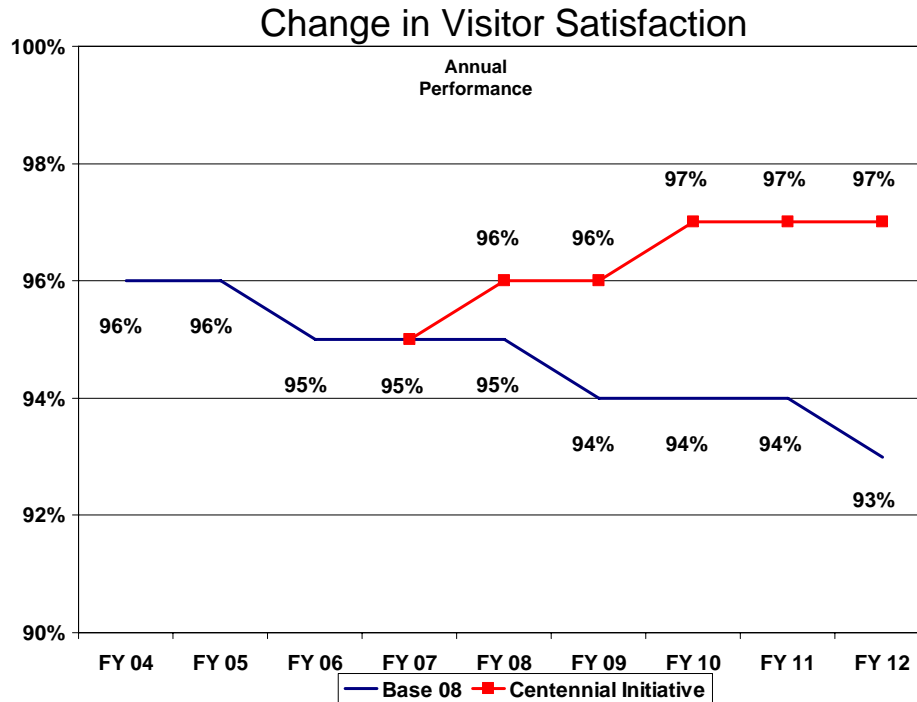
The NPS strives to continue to provide access to high quality recreation opportunities at a cost that is fair to visitors and taxpayers. To provide additional recreational opportunities and to preserve and protect the historic, scenic, natural, and recreational values, NPS works with other Federal, State, and local government agencies and nonprofit groups, through its grants programs, to secure access to many kinds of recreation in all States and Territories.

Key Budgetary Changes: *Provide for a Quality Recreation Experience & Visitor Enjoyment*

Visitor Satisfaction - Enjoyment of parks and their resources is a fundamental part of the visitor experience and a mandate of the NPS Organic Act: "... to provide for the enjoyment of the [resources] in such manner and by such means as will leave them unimpaired for the enjoyment of future generations."

To achieve this goal the NPS Park Studies Unit in collaboration with the University of Idaho conducts annual visitor surveys in all parks every year. These visitor surveys provide a vital link between the health of the park and visitors' perceptions. Because this goal is a lagging indicator increased visitor satisfaction will be realized over several years. As part of the Centennial Initiative an additional \$102.698 million will be expended to improve visitor satisfaction. Servicewide performance is planned to be 4 percent higher with the Centennial Initiative, bringing the total performance to 97 percent visitor satisfaction by FY 2012.

Percent of visitors satisfied with the quality of their experience.	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	96%	96%	96%	95%	95%	96%	96%	97%	97%	97%
Performance w/o Initiative	96%	96%	96%	95%	95%	95%	94%	94%	94%	93%
Performance Change	0%	0%	0%	0%	0%	1%	2%	3%	3%	4%
Total Actual/Projected Cost at Budget Level (\$000)	\$699,051	\$766,931	\$816,147	\$814,423	\$795,008	\$897,706	\$897,706	\$897,706	\$897,706	\$897,706
Total Actual/Projected Cost w/o Initiative (\$000)	\$699,051	\$766,931	\$816,147	\$814,423	\$795,008	\$847,670	\$847,670	\$847,670	\$847,670	\$847,670
Actual/Projected Cost Per Unit (whole dollars)	\$2.56	\$2.81	\$3.03	\$3.02	\$2.95	\$3.33	\$3.33	\$3.33	\$3.33	\$3.33



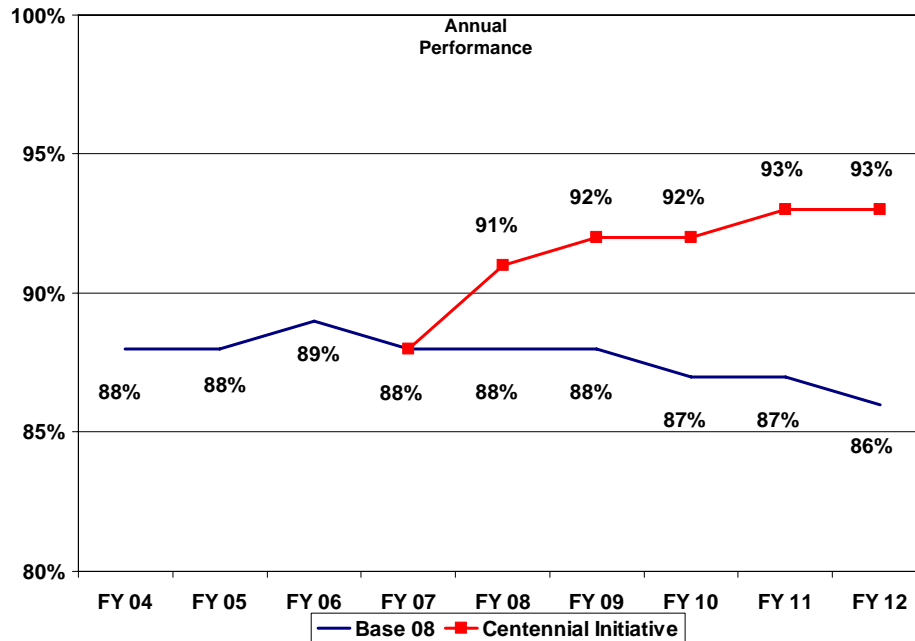
Visitor Understanding and appreciation – Interpretation and Education are fundamental NPS activities designed specifically to help people understand and identify with the intangible meanings inherent in the national park system. As part of the Centennial Initiative, \$13 million has been set aside to hire additional seasonal interpretative rangers. This added support will ensure that new generations of Americans are able to connect to our shared national heritage.

As part of the Centennial Initiative, an additional \$34.325 million will be expended to improve visitor understanding. Servicewide performance is planned to be 7 percent higher with the Centennial Initiative, bringing the total performance to 93 percent visitor understanding by 2012. Given the Centennial Initiatives' emphasis on more interpretative seasonal rangers, it is reasonable to forecast more visitors will be able to attend facilitated programs and gain a greater appreciation and understanding of the significance of the park.

Visitor Understanding and appreciation of the significance of the park they are visiting.	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	88%	88%	89%	89%	88%	91%	92%	92%	93%	93%
Performance w/o Initiative	88%	88%	89%	89%	88%	88%	88%	88%	87%	86%
Performance Change	0%	0%	0%	0%	0%	3%	4%	4%	6%	7%
Total Actual/Projected Cost at Budget Level (\$000)	\$207,060	\$227,167	\$238,871	\$238,366	\$232,684	\$267,009	\$267,009	\$267,009	\$267,009	\$267,009
Total Actual/Projected Cost w/o Initiative (\$000)	\$207,060	\$227,167	\$238,871	\$238,366	\$232,684	\$248,097	\$248,097	\$248,097	\$248,097	\$248,097
Actual/Projected Cost Per Unit (whole dollars)	\$0.76	\$0.83	\$0.89	\$0.88	\$0.86	\$0.99	\$0.99	\$0.99	\$0.99	\$0.99

Change in Visitor Understanding

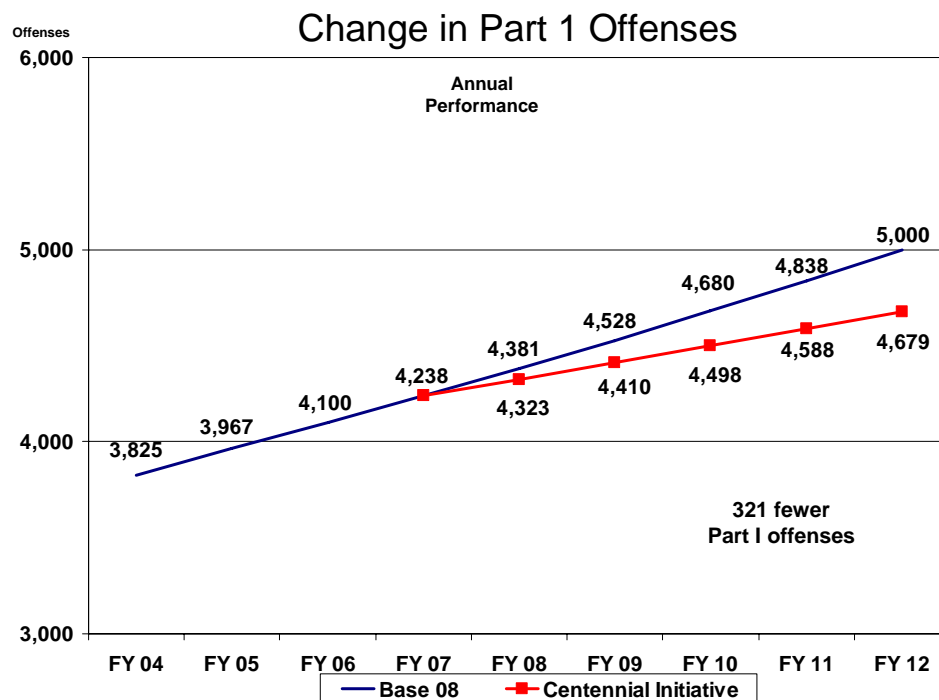
(Mean-average visitor understanding value)



Part I Offenses - Park rangers and special agents perform a diversity of functions including enforcing regulations and laws that protect people and the national parks; protecting and preserving the resources; providing search and rescue; managing large-scale incidents; responding to and managing developing emergencies, including structural and vehicle fires, as well as natural disasters such as hurricanes; ensuring public health; and providing a level of on-the-ground customer service that has long been the tradition of park rangers and special agents. The NPS focuses on reducing violent crimes in our national parks by community-oriented policing methods, proactive patrols, counter-drug activities, agent participation in interagency task forces, and increasing the use of technology and science to combat crime. Ongoing efforts include ranger patrols and surveillance of roads, trails, and backcountry areas; constructing required barricades to protect buildings and prevent illegal vehicle traffic; short and long-term counter-smuggling and drug cultivation investigations and operations; and cooperation and coordination with the Department of Homeland Security, U. S. Customs and Border Protection and other Federal, State and local agencies involved with law enforcement.

As part of the FY 2008 budget it is anticipated that an additional \$16.181 million will be targeted at resource protection issues. As a result, there will be a drop in the number of Part I offenses. Servicewide performance is planned to be 321 Part I offenses lower with the Centennial Initiative, bringing the total number of Part I offenses to 4,679 by 2012. Please note: Performance for this measure is included in the mission goal area "Serving Communities"; while the dollars are associated with "Recreation." This change will allow the NPS to better relate its dollars to the DOI Mission Areas.

Part I Offenses	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	3,825	3,967	4,100	4,300	4,238	4,323	4,410	4,498	4,588	4,679
Performance w/o Initiative	3,825	3,967	4,100	4,300	4,238	4,381	4,528	4,680	4,838	5,000
Performance Change	0	0	0	0	0	58	118	182	250	321
Total Actual/Projected Cost at Budget Level (\$000)	\$165,412	\$176,010	\$181,895	\$190,319	\$190,319	\$206,500	\$206,500	\$206,500	\$206,500	\$206,500
Total Actual/Projected Cost w/o Initiative (\$000)	\$165,412	\$176,010	\$181,895	\$190,319	\$190,319	\$198,742	\$198,742	\$198,742	\$198,742	\$198,742
Actual/Projected Cost Per Unit (whole dollars)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



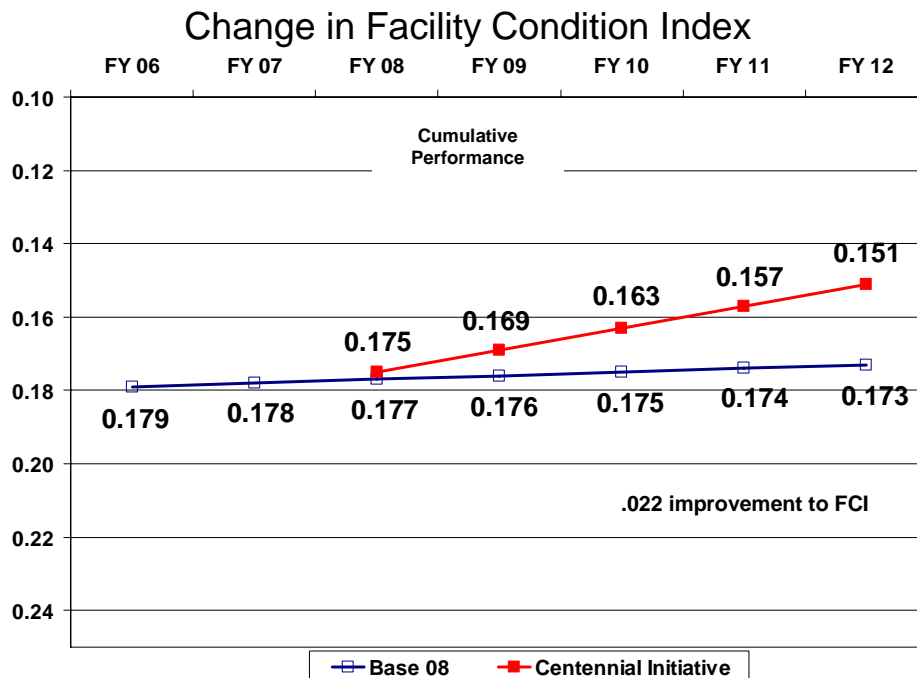
MANAGEMENT EXCELLENCE GOALS –

In FY 2002, the NPS Facility Management Program was selected for a FY 2004 evaluation by the Office of Management and Budget using the PART (Program Assessment Rating Tool) process. There was a follow-up evaluation in FY 2003 for the FY 2005 budget. As a result of that evaluation, NPS has eight PART measures identifying its targets for improving the Facility Condition Index (FCI) for various categories of resources. NPS also contributes to DOI strategic goals for improving the condition of various classes of assets. The NPS has traditionally tracked performance on its “Management Effectiveness” goal. Some of these goals directly contribute to the Department's Management goals. The NPS will contribute to additional Department Management Excellence goals including Accountability, and Modernization/Integration.

FCI for all standard assets (not including paved roads) – As part of the Centennial Initiative an additional \$23.552 million funding will be aimed at improving the NPS overall FCI score by targeting Critical System Deferred Maintenance. Servicewide performance is planned to be -0.022 lower with the

Centennial Initiative, bringing the total FCI for all standard assets to 0.151 in FY 2012. For FCI the goal is to reduce the FCI number, which indicates greater asset condition.

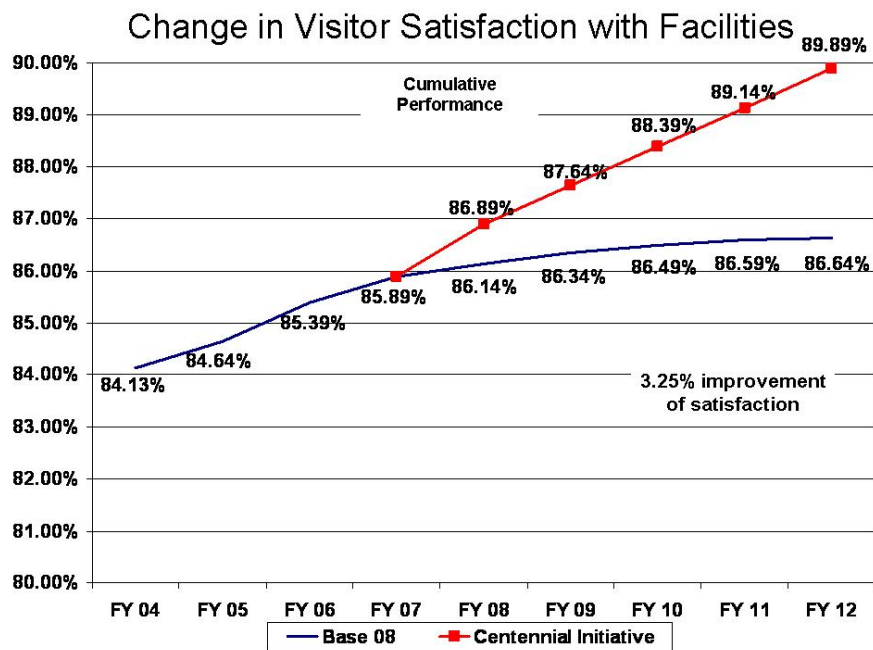
Condition of all standard assets as measured by a Facility Condition Index	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	N/A	N/A	0.179	0.178	0.178	0.175	0.169	0.163	0.157	0.151
Performance w/o Initiative	N/A	N/A	0.179	0.178	0.178	0.177	0.176	0.175	0.174	0.173
Performance Change	N/A	N/A	0.000	0.000	0.000	-0.002	-0.007	-0.012	-0.017	-0.022
Total Actual/Projected Cost at Budget Level (\$000)	\$187,203	\$216,262	\$208,366	\$215,488	\$225,070	\$248,622	\$248,622	\$248,622	\$248,622	\$248,622
Total Actual/Projected Cost w/o Initiative (\$000)	\$187,203	\$216,262	\$208,366	\$215,488	\$225,070	\$224,651	\$224,651	\$224,651	\$224,651	\$224,651
Actual/Projected Cost Per Unit (whole dollars)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



Visitor Satisfaction with Facilities - With the increased level of funding, parks will be able to hire seasonal employees to assist with the basic operations of facilities and grounds during the peak and shoulder visitation seasons. Seasonal funding will be targeted at parks with low visitor satisfaction with facilities ratings and a disproportionate number of visitors relative to maintenance staff. Visitor satisfaction with facilities will improve with the increased frequency of restroom cleaning and stocking, trash removal, mowing of grounds and pathways, removal of debris/litter from sidewalks, pathways, and trails. Increased maintenance will also allow parks to address employee and visitor health and safety issues. Seasonal maintenance employees provide a cost effective method of improving the quality of the visitor experience during peak visitation months.

As part of the Centennial Initiative an additional \$21.773 million funding will be aimed at improving the visitor satisfaction with facilities. Servicewide performance is planned 3.25 percent higher with the Centennial Initiative, bringing the total visitor satisfaction with facilities score to 89.89 percent by FY 2012.

Percent visitor satisfaction with facilities.	2004 Actual	2005 Actual	2006 Actual	2007 President's Budget	2007 Plan	2008 Plan	2009 Est.	2010 Est.	2011 Est.	2012 Est.
Performance at proposed Budget Level	84.13%	84.64%	85.39%	85.59%	85.89%	86.89%	87.64%	88.39%	89.10%	89.89%
Performance w/o Initiative	84.13%	84.64%	85.39%	85.59%	85.89%	86.14%	86.34%	86.49%	86.59%	86.64%
Performance Change	0.00%	0.00%	0.00%	0.00%	0.00%	0.75%	1.30%	1.90%	2.51%	3.25%
Total Actual/Projected Cost at Budget Level (\$000)	\$187,203	\$216,262	\$216,743	\$215,488	\$227,616	\$249,389	\$249,389	\$249,389	\$249,389	\$249,389
Total Actual/Projected Cost w/o Initiative (\$000)	\$187,203	\$216,262	\$216,743	\$215,488	\$227,616	\$224,651	\$224,651	\$224,651	\$224,651	\$224,651
Actual/Projected Cost Per Unit (whole dollars)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A



President's Management Agenda

The President's Management Agenda (PMA), announced in the summer of 2001, is an aggressive strategy for improving the management of the Federal government. The FY 2008 budget request includes management reform actions that continue to support the PMA in the following seven areas: budget and performance integration, strategic management of human capital, competitive sourcing, improved financial performance, expanding E-Government, asset management, and research and development. Three new areas have been added this year including: energy management, transportation (fleet), and environmental management.

1. Budget and Performance Integration

With an increasing emphasis on integrating budget and performance, agencies are being called upon to fully link budget decisions to future performance. Understanding how base and incremental budgetary allocations influence performance allows agencies to assess more accurately the impact of certain

allocation scenarios. Since the FY 2000 budget formulation process, when the NPS fully automated the budget formulation and performance systems, the NPS has incorporated performance results into the budget formulation decision making process. The NPS continues to support the President's drive to integrate budget and performance.

In the past few years, the NPS has developed a number of tools to aid all levels of the NPS in integrating budget and performance. These tools include the Budget Cost Projection Module (BCP), the Core Operations Analysis (Core Ops), the Business Planning Initiative (Business Plans), and the NPS Scorecard (Scorecard), as well as the continued efforts of the PART review process. These tools are currently being used to create a more consistent approach to integrating budget and performance across the Service, as well as to create further accountability for budget and performance integration at all levels of the organization.

In order to implement cost avoidance strategies in this time of fiscal prudence, the BCP is used to analyze an individual park's obligations and expenditures in order to project future costs. That data aids in the analysis of base allocations and spending information to avoid costs in the future. Core Ops continues the process by using data from the BCP, in addition to data regarding park spending patterns, to find cost recovery strategies and efficiencies. This allows parks to focus efforts on core mission activities and high priority performance goals. Program areas at the WASO level are also beginning to use Core Ops to direct Servicewide efforts toward high priority goals within the Service's core mission.

The Business Plans take a similar approach by using in depth analysis of park spending on all activities. As a result of the analysis, parks create a Business Plan outlining project and operating priorities, as well as strategies to avoid costs and produce revenue in the future.

Finally, the Scorecard integrates performance and financial data to give the NPS a way to compare performance and efficiency within a decentralized organization consisting of unique and distinct parks. The Scorecard is currently being used by the NPS to identify potential areas of lower performance and decreased efficiency so that managers can utilize the other tools mentioned above to focus work on core mission activities and to avoid future cost where possible. The Scorecard is also being used, in conjunction with other information, to aid in determining budget priorities. The following three types of park increases identified as part of the FY 2008 President's Budget have all been vetted through the use of the NPS Scorecard: flexible increases to improve park health; interpretation, maintenance, and protection seasonal rangers; and funding for core park operations. (Note: For more information on these budget proposals, please see the ONPS Summaries section of the Greenbook.)

As part of the Centennial Initiative, the NPS is seeking \$20.0 million in FY 2008 to improve the health of natural and cultural resources and measure results through the use of flexible park funding. This funding would enhance financial support for cultural and natural resources at parks with a history of organizational efficiency, as demonstrated by the NPS Scorecard. Parks targeted for flexible funding are expected to achieve significant results as measured by goals from specific performance targets at the park, consistent with overall goals in the DOI Strategic Plan. Prior to receiving funding parks would enter into performance contracts with specific targets and would subsequently monitor the results against those targets. Once results have been achieved, funding would be transferred to address additional natural and cultural resources needs in the NPS.

In order to affect the greatest performance change, the National Park Service employed the following criteria to evaluate candidate parks:

- Based on the NPS Scorecard, all parks demonstrated a history of financial efficiency but below average record of performance. To improve performance, it necessary to augment a park's financial resources with flexible funding in order to address critical resource protection needs.
- All parks have the internal capacity to begin work on natural and cultural resource projects in FY 2008 and demonstrate results within one to three years.
- All natural and cultural resources targeted for flexible park funding are nationally significant or have completed all necessary compliance or regulatory work. This ensures that all projects will be

able to demonstrate results that are important for the targeted park, but are equally critical for meeting the NPS mission.

- All parks were vetted by the region and supported by the Superintendent. Superintendents were informed that acceptance of this funding is dependent on the ability to demonstrate the projected results through performance contracts.
- Emphasis areas may include restoration of disturbed lands, restoration of natural lands through removal of exotic plant species and reintroduction of native plants, protecting museum collections, and restoring of historic structures.

In addition to the flexible park increases, the National Park Service is requesting \$40.6 million as part of the Centennial Initiative to support park operations through the addition of 3,000 seasonal and subject-to-furlough employees. This request will address a long term decline in the seasonal ranger program, which has seen a 33 percent decline over the last ten years and a more than 20 percent reduction in base funded maintenance, interpretation, and protection FTE at parks since 2001. Funding would reinvigorate the seasonal program by adding 1,000 maintenance, 1,000 interpretation and education, and 1,000 resource and visitor protection rangers to parks during peak visitation months. The formulation process for this component of the Centennial Initiative is also indicative of how the NPS is integrating budget and performance. While the vast majority of parks will benefit from this request in some way, those parks with the greatest identified need in each of these three areas will be targeted:

- Parks with high ratios of visitation to maintenance staffing and low facility satisfaction levels will benefit from increased restroom cleaning, trash removal, mowing, and trail and pathway maintenance.
- Parks with poor visitor understanding, an overwhelming ratio of visitors to interpretive rangers, and a low rate of visitor contacts will be able to offer more ranger-led talks, interpretive programs, and guided walks and tours.
- And parks with the highest levels of criminal offenses, resource degradation, and the fewest protection rangers per visitor will have enhanced law enforcement, emergency medical services, life-guarding, search and rescue, climbing and backcountry patrols, and other resource, visitor, and protection related functions.

Adding seasonal employees is an efficient and cost effective way to improve visitor services and increase the visibility of rangers during summer and shoulder months, as seasonal employees have an average pay level of WG-5 and GS-5 and benefit costs of only 7.65 percent, which is far less than the nearly 40 percent benefit costs for the average permanent FERS employee. In addition, building a dedicated force of seasonal employees substantially improves the pool of knowledgeable rangers available to replace the aging workforce of the NPS and related bureaus.

In order to achieve the greatest positive impact at parks in the areas of maintenance, interpretation, and protection, the NPS has distributed requested seasonal employees to those parks that have identified a priority need for seasonal employees, have an overwhelming ratio of visitors to FTE in each function, and exhibit poor performance indicators due to this lack of resources. Although parks have identified nearly 6,000 seasonal positions they would like to fill, the NPS believes that strategically placing 3,000 seasonal rangers will create the greatest positive impact at the best value to the American public.

The remaining portion of park funding in the FY 2008 request is \$40.6 million for park base funding to enhance core visitor services and resource protection by funding high priority needs at 135 parks. In order to ensure the integrity of this request and to affect the greatest performance change, the requested funding focuses on improving performance at highly efficient parks, improving the financial flexibility of parks that have been heavily impacted by fiscal constraints, ensuring sound management of new responsibilities in parks, and encouraging the efficiencies achieved through collaborative efforts in park management. This approach would increase performance at parks in the most efficient way possible and ultimately improve the NPS' ability to provide the expected visitor experience, maintain facilities, and improve the condition of natural and cultural resources.

The specific funding requests were drawn from the NPS Operations Formulation System (OFS), an interactive Servicewide database on the NPS Intranet. Use of OFS has improved and clarified the

process for identifying and evaluating budget requests throughout the Federal budget justification process. High priority needs are identified and prioritized in OFS by park and regional managers and performance results are projected in accordance with NPS strategic plan goals. The funding requests are enhanced by management processes, such as Core Operations Analyses and Business Plans, which involve analyzing spending patterns, identifying cost recovery strategies and efficiencies, focusing efforts on core mission activities, and working towards high priority performance goals.

After all these requests have been identified, the next step in the budget formulation process is to evaluate the relative efficiency of parks using financial and organizational data in the NPS Scorecard. About 60 percent of proposed funding is for core operations at parks with high efficiency scores. Providing funding to these parks would enable them to sustain or improve performance by providing a positive visitor experience and preserving park resources.

To supplement the use of overall efficiency data from the NPS Scorecard, about 20 percent of the proposed funding is for high priority needs at parks that have experienced the greatest impact on fixed costs (e.g. when compared to other NPS units, they have a high percentage of base funding devoted to fixed costs). Providing funding to these parks would give them an opportunity to improve their financial flexibility. In turn, by improving their financial flexibility the parks will be better able to respond to challenging situations and adjust operations to result in the maximum performance. The remaining 20 percent of the proposed funding is requested for high priority park needs which either: 1) improve the capacity to handle responsibilities for new or dramatically rehabilitated facilities, newly acquired lands/resources, and developing units or 2) promote collaborative efforts that benefit multiple parks.

All of the management tools cited above work together to enable all levels of NPS to integrate budget and performance information and make better, more informed decisions about how to allocate resources and improve current levels of performance.

2. Strategic Management of Human Capital

Effective leadership is a critical component of mission accomplishment. New competencies are needed to address changing NPS workforce needs and enhance partnership efforts. Due to competing, higher priorities within the FY 2008 budget, several Servicewide human capital initiatives will be managed within existing funding levels over the next several years.

The Human Capital function of the NPS is currently undergoing a Preliminary Planning Effort (PPE). This effort involves a detailed functional analysis of work performed, where it is performed, and who is performing this work. When this review is completed, NPS will have a strategic framework within which it can make informed decisions about how to best allocate human capital staff and funding across functions, organizational levels, and geographic areas. Increased collaboration and resource-sharing enhanced by technology are essential components of future business practices. A market analysis will also be conducted to identify best practices within both governmental agencies and the private sector.

3. Competitive Sourcing

Competitive Sourcing sets up a process of competition between the public and private sectors on work that is commercial in nature. The NPS has continued to improve its competitive review process by exercising the full flexibility embodied in the May 2003 revision to OMB Circular A-76 while remaining consistent with the PMA. The NPS Preliminary Planning Effort (PPE) process generates statements of requirements, identifies the most efficient organization, and develops market research-based estimates of private sector performance. NPS conducts detailed analysis of these documents prior to initiating formal public-private competitions. Based on expected savings over baseline costs achieved by the proposed Most Efficient Organization (MEO), and the cost difference between the MEO and the estimate of private sector performance, NPS decides whether to implement the MEO or, conversely, to proceed with formal competition to achieve greater savings. This process minimizes potential disruption to operations while ensuring the essential mandates of the PMA are met.

In FY 2008 the NPS' competitive review process will include a mix of preliminary planning efforts and formal competitions. The Human Capital PPE is a Servicewide review that includes work being performed by over 450 positions in the functions of human resources, employee development, and equal opportunity. Four streamlined competitions were announced in the 1st quarter of FY 2007 and will be completed in early May 2007. These include the entire scope of operations at the Great Onyx Job Corps Center (JCC) co-located at Mammoth Cave National Park, KY; the Oconaluftee JCC co-located at Great Smoky Mountains National Park, NC; and Harpers Ferry JCC, located at Harpers Ferry, WV. In all, over 250 Federal and contractor positions are included in these three competitions. The 4th competition encompasses turf maintenance activities performed by approximately 44 Federal positions and 25 contracted positions in five parks of the National Capital Region. Lastly, we will complete the preliminary planning phase for a potential standard competition of Servicewide Information Management functions impacting about 300 FTEs.

4. Improved Financial Performance

The NPS continues working towards the goal of strengthening the usefulness of financial information to program managers and bureau decision makers. Major initiatives planned and underway to achieve this goal are the continued deployment of the Financial and Business Management System (FBMS) to replace antiquated financial systems, the use of Activity-Based Cost Management (ABC/M) information, and the continued refining of the NPS Park Scorecard.

In FY 2006, the following accomplishments were made:

- Met all reporting milestones for closing the fiscal year and the preparation of the financial statements as required by the Department and OMB.
- Obtained an 11th consecutive unqualified audit opinion, with no financial management material weaknesses identified.
- Fully implemented 38 GAO and eight OIG audit recommendations.
- Continued participation in planning, development and implementation of the FBMS Project. Provided resources to serve as trainers for the Deployment 2 Bureaus.
- Conducted several hundred internal control reviews and a comprehensive audit follow up program leading to the issuing of an unqualified assurance statement on management controls that was accepted by the Department.
- Made 98.9 percent of its vendor payments on time as measured by the requirements of the Prompt Payment Act, exceeding the DOI goal for this metric.
- Exceeded the DOI goal by having referred 99 percent of its eligible debt to the Department of the Treasury for cross servicing.
- Continued efforts to increase electronic funds transfer (EFT) usage, and increased its EFT payments to 95.3 percent of all payments in the fourth quarter which was less than 1 percent of meeting the DOI goal.
- Completed the migration from the Key Bank Electronic Deposit Ticket System to Treasury's TGA.net program for electronic deposit of collections in support of the PMA E-Government effort.
- In partnership with the Student Conservation Association (SCA), completed 12 park business plans.

In FY 2007, the following performance is planned:

- Continue to be an active participant in the FBMS project.
- Obtain an unqualified audit opinion, with no financial management material weaknesses and reduce the number of reportable conditions and management letter findings.
- As part of the on-going implementation of OMB Circular A-123, Management's Responsibility for Internal Control, NPS plans to broaden the awareness of the process through briefings to various level of management.
- Return to a "green" status on the Department's financial management scorecard.
- Conduct on-site management and internal control reviews of seven park financial management operations.
- Continue to improve the integration of the NPS Scorecard and Core Mission evaluation processes, with park business planning.

- Support workforce planning through our continued hiring of financial management staff across the Service via the business planning program and the Department's Financial Management Intern program.

5. Expanding E-Government

The Bureau contributes \$1,120.8 million to support the President's E-Government initiatives. This amount is paid into the Department's Working Capital Fund Account, and costs are distributed based upon relative benefits received by each bureau. The Departmental Management budget justification includes amounts for each initiative and describes the benefits received from each E-Government activity.

The bureau FY 2008 budget supports the following Departmental Information Management Programs of Records Management, Privacy, Freedom of Information, Web Management, Electronic and Information Technology Accessibility and Information Quality to comply with the Privacy Act, Freedom of Information Act, Executive Order 13392, FISMA, the E-Government Act of 2002 Sections 515 and 207, the Rehabilitation Act Section 508 and the Federal Records Act.

6. Asset Management

Executive Order (EO) 13327 – Federal Real Property Asset Management – requires the NPS to develop an asset management plan that identifies and categorizes all real property owned, leased, or otherwise managed by the NPS; prioritizes actions to improve the operational and financial management of the NPS's inventory, using life-cycle cost estimations; and identifies specific goals, timelines, and means for measuring progress against such goals and timelines.

In order to meet these requirements, the NPS is developing and executing an effective asset management plan that addresses all phases of an asset's lifecycle and is committed to the total cost of ownership. Decisions about acquiring new assets are based on the existing portfolio of facilities and assets, the condition of those assets, and their importance to the park. The Facility Condition Index and Asset Priority Index are used to manage an asset through its life cycle, which maximizes the productivity of operations and maintenance funds applied against assets. The information collected is loaded into the Facility Management Software System (FMSS) so it is easily accessible and can support daily decision-making. Additional information on Asset Management can be found under the Park Management – Facility Operations and Maintenance section of this book.

The NPS completed an asset management plan in FY 2006 and is in the process of updating the plan to reflect the current status of its asset portfolio. The initial cycle of comprehensive condition assessments was completed by the end of FY 2006 per PART and other performance goals. The Service has initiated the next cycle of assessments to include unique assets such as fortifications, memorials and waterfront assets. The NPS continues to fulfill the reporting requirements for the Federal Real Property Profile (inventory) and has met the milestone for completion of site specific asset business plans for park units having asset inventories. Additionally, the NPS has completed park-level asset management plan at Golden Gate NRA., Yosemite NP, and Grand Canyon NP, with similar plans for the New York Harbor parks, Great Smoky Mountains NP, Olympic NP, Rocky Mountain NP and Delaware Water Gap NRA scheduled for completion in the second quarter of FY 2007.

The NPS was a major contributor to the Department of the Interior's Asset Management Team and Asset Management Partnership which refined existing asset business practices and processes as well as developing new processes and procedures to meet the evolving requirements issued by the Federal Real Property Council.

7. Research and Development

The Department is using the Administration's Research and Development (R&D) investment criteria to assess the value of its R&D programs. Please see Exhibit A for a discussion of Department and NPS efforts in the use of Research and Development Criteria.

8. Energy Management

The NPS intends to work with the DOI to meet the mandated energy reduction goals and renewable energy consumption goals as stipulated by Public Law 109-58, Energy Policy Act of 2005.

9. Transportation (Fleet)

The NPS, in cooperation with the other bureaus and the Department, continues to improve the management of vehicle fleets, identify best practices that could be used Departmentwide, and develop action plans to realize cost savings. The NPS will continue its efforts to improve fleet management by reducing the size of the fleet; employing energy saving practices by fleet operators; acquiring more efficient vehicles; acquiring the minimum sized vehicle to accomplish the mission; disposing of under-utilized vehicles; freezing the acquisition of vehicles from the General Services Administration (GSA) Excess Vehicle program; and exploring and developing the use of inter-bureau motor pools.

10. Environmental Management

The NPS intends to work with the DOI to meet the mandated environmental management goals.

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